



# TAX RELIEF

## THE SINGLE LARGEST TAX CUT IN STATE HISTORY

*"Fueled by our state's booming economy and budget surplus, we are delivering lasting tax relief to Arizona families and small businesses so they can keep more of their hard-earned money. This tax relief keeps Arizona competitive and preserves our reputation as a jobs magnet and generator of opportunity."*

### GOVERNOR DUCEY

- **BENEFITS ALL TAXPAYERS:** The average taxpayer will receive a 13% income tax reduction, saving about \$350 a year
- **IMPLEMENTS THE LOWEST FLAT TAX IN THE COUNTRY:** Arizona is on track to have a flat tax of 2.5% – the lowest flat tax in America
- **KEEPS ARIZONA COMPETITIVE:** While states like California, and the federal government, keep driving up taxes on citizens and job creators – in Arizona, we are returning surplus dollars to the taxpayer. Why? Because you earned them
- **PROTECTS VETERANS:** Our nation's greatest heroes will no longer pay taxes on their retirement pay. This saves the average veteran an additional \$650 a year
- **SUPPORTS SMALL BUSINESSES:** Prevents a 77.7% tax increase on small business owners. In Arizona, 99% of businesses are small businesses
- **REDUCES PROPERTY TAXES:** Reduces property taxes on small businesses and job creators by 10%, and increases the homeowner's rebate so the state now covers HALF of homeowners' primary property taxes
- **PROTECTS K-12 DOLLARS:** The budget increases investments in K-12 education, and this tax reform DOES NOT impact any K-12 dollars, including those approved by voters in 2020
- **HELPS OUR CHARITIES:** Increases the amount an individual can deduct on charitable givings, providing additional support for community non-profits
- **PAYS OFF DEBT:** While Washington, D.C. racks up more and more debt, Arizona is paying ours off – nearly \$1 billion, plus another \$1 billion in pension liabilities
- **BUDGETS RESPONSIBLY:** Small businesses and families have to balance their checkbooks, and that's what Arizona is doing. This plan makes sure we don't spend more than we can afford, with triggers to ensure we meet our obligations and protect the taxpayer

In Arizona, we believe you deserve to keep the money you earn. This plan does that, while continuing to invest in the things that matter – K-12, community colleges, and new roads and bridges.

